

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HJR 782**

February 3, 2010

**SUMMARY OF BILL:** Proposes to amend Article II, Section 24 of the Tennessee Constitution to establish a Constitutional Spending Limitation to restrict the rate of growth of state tax revenue expenditures and to require at least a two-thirds vote of each house in order to approve any expenditure made in excess of such spending limit during any fiscal year. Requires the General Assembly to enact a law specifying the dollar amount and rate by which the limit will be exceeded during such fiscal year. Requires all state tax revenue collections for the fiscal year, in excess of the limitation and any duly enacted exception to the limit, to be deposited in the Reserve for Revenue Fluctuations until such reserve equals seven percent of estimated state tax revenue expenditures for the fiscal year.

Proposes to amend Article II, Section 24 of the Tennessee Constitution to require bills with a mandatory local government cost to specify the state-share portion of the cost. The foregoing amendment shall be referred to the 107<sup>th</sup> General Assembly and this resolution proposing such amendment shall be published by the Secretary of State in accordance with Article XI, Section 3 of the Tennessee Constitution.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures – \$24,000/One-Time**

Assumptions:

- A one-time cost of \$24,000 to the Secretary of State to print notice of the proposed amendment in certain newspapers as required by this resolution. This amount is based on the cost of recent publications.
- Article XI, Section 3 of the Constitution, requires publication of the resolution before the next legislative election. This publication would occur in the spring of 2010.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large initial "J" and a distinct "W".

James W. White, Executive Director

/rct